

Message Text

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PAGE 01 BRASIL 06957 091703Z

43

ACTION EB-07

INFO OCT-01 ARA-06 ISO-00 COME-00 OPIC-03 AID-05 XMB-02

/024 W

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P R 091635Z AUG 76

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC PRIORITY 7239

INFO AMCONSUL RIO DE JANEIRO

AMCONSUL SAO PAULO

LIMITED OFFICIAL USE BRASILIA 6957

E. O. 11652: N/A

SUBJECT: BIDDING FOR CSN HOT STRIP MILL

REF: (A) ZIMMERMAN-RUSER TELECONS; (B) CHAPIN-MARSHALL
TELECON; (C) WELLS-RUSER TELECON

1. ON AUGUST 6, COUNSELOR ECON/COMM SPOKE TO SIDERBRAS FINANCIAL DIRECTOR MARINHO FERREIRA DE ANDRADE TO DISCUSS BIDDING FOR CSN HOT STRIP STEEL MILL, WITH PARTICULAR REFERENCE TO PROSPECTS FOR GE BID. (WILKIE BARBOSA, SIDERBRAS MANAGING DIRECTOR, WHOM COUNSELOR TRIED TO REACH INITIALLY, WAS OUT OF THE CITY.)

2. COUNSELOR INQUIRED ABOUT PROSPECTS FOR GE BID, RECALLING GOB'S EARLIER INTEREST IN SUBSTANTIAL US PARTICIPATION IN THIRD STEEL EXPANSION PROGRAM AND EFFORTS MADE BY USG AT GOB'S REQUEST TO INTEREST US FIRMS IN SUCH PARTICIPATION IN THE BIDDING. OFFICER ALSO NOTED EARLIER GOB INTEREST IN EXIM BANK FINANCING AND SUBSTANTIAL NUMBER OF PRELIMINARY COMMITMENTS MADE BY EXIM.

3. FERREIRA DE ANDRADE SAID HE WISHED TO TAKE UP COUNSELOR'S QUESTION WITH DR. WILKIE BARBOSA, AFTER HIS RETURN TO BRASILIA NEXT WEEK, AND WOULD ARRANGE MEETING FOR GENERAL REVIEW OF THE SITUATION. HE PERSONALLY WAS CONCERNED OVER THE CONTINUING FAILURE OF US FIRMS TO CAPTURE ANY OF THE BIDS AND WAS WELL AWARE OF EXIM'S ROLE IN SECURING APPROPRIATE FINANCING TERMS

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FOR THE THIRD STEEL EXPANSION PHASE. FACT WAS, HOWEVER, THAT ALL

THE AWARDS WERE MADE IN CONFORMANCE WITH INTERNATIONAL BIDDING PROCEDURES AND IT WAS NOT POSSIBLE TO CHANGE THESE GUIDELINES IN MID-STREAM. FERREIRA DE ANDRADE PROMISED TO BE BACK TO COUNSELOR NEXT WEEK.

4. COMMERCIAL COUNSELOR'S CONVERSATION WITH COL. PENA WILL BE REPORTED SEPTEL.

5. ACTION REQUESTED: DEPARTMENT, USDOC AND EXIM REQUESTED TO PROVIDE SOONEST ANY TALKING POINTS AND ARGUMENTS THEY WOULD CONSIDER HELPFUL AND WORTH MAKING TO WILKIE BARBOSA AT THIS JUNCTURE.
CRIMMINS

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: STEEL PLANTS, PROPOSALS (BID), ROLLING MILLS
Control Number: n/a
Copy: SINGLE
Draft Date: 09 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: greeneet
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976BRASIL06957
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760306-0241
From: BRASILIA
Handling Restrictions: n/a
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ISecure: 1
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Review Authority: greeneet
Review Comment: n/a
Review Content Flags:
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Margaret P. Grafeld
Declassified/Released
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EO Systematic Review
04 MAY 2006

Review Media Identifier:
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Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: BIDDING FOR CSN HOT STRIP MILL
TAGS: EINV, EMIN, BR, US
To: STATE
Type: TE
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